

## Republicans' Export-Import Bank Shutdown is Hurting Businesses Across the Country

With Congress returning to session today, House Democrats, dozens of House Republicans, and business owners across the country will continue to urge Republican leaders to stop their ideological crusade against the Export-Import Bank and bring to the Floor legislation to re-open the Bank without delay. Since Republicans shut down the Export-Import Bank on June 30 and left town for the August District Work Period without taking any action to re-open it, American businesses have been feeling the impact on their ability to create jobs and compete in the global marketplace. Take a look at a roundup of recent articles on how Republicans' politically motivated shutdown is hurting American workers and our economic competitiveness:

### Arizona

“A Gilbert frozen yogurt manufacturing company, Wudel International, exports to more than 40 countries, including China. During an era that China dominates the export/import game with the U.S. by a margin of four to one, an East Valley frozen yogurt manufacturer is doing its small part to offset the trade deficit... But a **debate among lawmakers in Washington D.C. is threatening the financial formula used by companies like Wudel International.** In June, the existence of an 80-year-old federal government financial tool known as the Export-Import (EXIM) Bank officially ended. The bank issued credit to foreign buyers, making it easier for them to do business with U.S. companies. **‘We’ve got distributors in Australia, South Africa and Europe that rely on the credit that the EXIM Bank allows us to provide,’** [Dave] Wudel said.” [12 News NBC, [8/3/15](#)]

### California

“**Boeing Co.'s planned layoffs in Southern California, announced this week, have revived concerns that the aerospace industry may suffer if Congress doesn't renew its support for the U.S. Export-Import Bank...** The expiration of the Export-Import Bank charter was one of the key reasons given by Boeing on Tuesday to explain the **layoffs, expected to number in the hundreds.** Aerospace and satellite industry players were quick to lament what they said could be a ripple effect... **Some Boeing subcontractors said reauthorizing funds for the bank is crucial to keeping U.S. businesses competitive in the global marketplace, where international rivals sometimes rely on similar support from their own governments.**” [Los Angeles Times, [8/27/15](#)]

### Illinois

“Northbrook-based Digital Check, a maker of check scanning equipment, projects that it **will lose about \$500,000 in sales by the end of this month** — an amount large enough to cause it to suspend a scanner leasing service. Mount Prospect-based Weldy Lamont Associates, an engineering firm, said it **is in danger of losing or delaying a potential multimillion-dollar project** to install solar electric panels to supply power to thousands of rural villages in Senegal. Multifilm Packaging, an Elgin-based maker of packaging materials for the confectionary industry, says it **has temporarily stopped looking for new business in Latin America, its key export market.** The companies are among hundreds of export-oriented businesses that blame their woes on the suspension of operations at Export-Import Bank of the United States, a key provider of loans and insurance in the global marketplace... By allowing the bank's charter to lapse, Congress essentially cut off a crucial financial lifeline for American businesses, notably

smaller companies, trying to tap into foreign markets or expand their footprint globally.” [Chicago Tribune, [8/17/15](#)]

“In 2018, Atlas Tool Works will celebrate its 100th anniversary of making custom parts for complex machinery at our Illinois plant. We have survived because we always have stayed on the cutting edge in technology, in products and in our business methods. **As the economy has globalized, so have we, moving into export sales made possible in part by the Ex-Im Bank. That's right — even a small, family-owned business like Atlas depends on the bank at times. Currently, we have an Ex-Im insurance policy that reduces the risk of shipping expensive custom-tooled products out of U.S. jurisdiction and into the reaches of China. Without this policy, we'd either have to demand full payment from the buyer up front, which many potential buyers would refuse, or simply roll the dice on hundreds of thousands of dollars worth of materials and work.**” [Op-ed in Telegram.com by Zach Mottl (Chief Alignment Officer at Atlas Tool & Die Works, Inc.), [8/13/15](#)]

“The [Illinois Manufacturers' Association] says that in Illinois, 382 [companies] use the Ex-Im Bank and nearly 250 are small companies. In fiscal 2014, nearly 90 percent of the bank's transactions — more than 3,340 — directly supported American small businesses, the bank's website says. ‘I'm a fierce warrior for the Ex-Im Bank. It's not just Boeing and GE that benefit from it, although they do benefit from it, it is the smaller manufacturers. This is essential for us to press ahead’ to get it reauthorized in Congress, [Rep.] Kinzinger said.” [Rockford Register Star, [8/6/15](#)]

### **Indiana**

“In Indiana, the Ex-Im Bank supports over 130 small, medium and large businesses, which in turn support over 12,000 jobs. I serve Draper Inc. (Spiceland, Henry County) as international regional manager. Draper is Henry County's largest private-sector employer. **With just over 500 employees, it is a medium-sized company, whose export department has benefited from Ex-Im Bank financing for overseas customers. By working with our company, our customers and private-sector lenders, the Ex-Im Bank secures financing deals that otherwise could not occur.**” [Op-ed in the Herald Bulletin by Nate LaMar (president of the Henry County Council), [7/29/15](#)]

### **Iowa**

“Misguided lawmakers have blocked Congress from voting on reauthorization even though the measure has enough support to pass. This political grandstanding led to the bank's charter expiring June 30. It is no secret that trade is a critically important component of the Iowa economy. In 2014, Iowa exported more than \$15.1 billion in manufactured goods and value-added agricultural products to 192 countries. **A total of 3,420 companies exported from Iowa locations in 2013. Of those, 2,845 (83.2 percent) were small and medium-size enterprises with fewer than 500 employees. Ex-Im Bank has played an important role in driving these numbers...** Ex-Im Bank financing is available to all U.S. exporters, regardless of size, and is critical to trade transactions when foreign banks are not willing and U.S. banks are unable to lend to customers purchasing from U.S. companies... **It is time for Congress and the administration to step up and get this done. Exporters in Iowa and across our country are counting on it.**” [Des Moines Register Op-Ed by Jay Byers (Greater Des Moines Partnership CEO), Mary Andringa (Vermeer CEO & chair of the board), and Mike Ralston (ABI president), [8/16/15](#)]

## Kansas

“In Kansas, working to improve export markets is essential to growing the state’s economy. Whether it’s selling more wheat, more Learjets or more liquefied natural gas, **Kansans will benefit from expanding the markets for goods and services from the state. So it should be a no-brainer that the state’s congressional delegation support initiatives and programs that further that aim. Especially when the programs and initiatives have no cost to taxpayers. The Export-Import Bank is one example.** It costs taxpayers nothing. It actually makes money. Yet many of Kansas’ Republican congressmen oppose the agency. They are among a majority of House Republicans that have basically killed off the organization — at least for the time being. The Export-Import market helps develop foreign markets for Kansas goods.” [The Garden City Telegram Op-Ed by Julie Doll (former Kansas journalist), [8/16/15](#)]

## Maryland

“Headquartered in Maryland, with a manufacturing plant in Texas, IGS builds sustainable materials that go into structures including affordable houses for low income populations in developing countries. IGS uses the Ex-Im Bank’s export credit insurance to help back contracts for these housing projects. **Since Congress let the Bank lapse on June 30 and left Washington for the August recess without passing a reauthorization, [Richard] China [President of International Green Structures] says his most current project—a contract to build housing in Kano, Nigeria, remains in a 'holding pattern' until the Bank can fulfill pending and new orders again.**” [National Association Of Manufacturers Medium blog post, [8/7/15](#)]

## Nevada

“My company, Spacecraft Components Corp., is a veteran owned manufacturer based in a HUBZone area in North Las Vegas. Since 1962, we have designed and built electrical connectors used in commercial and military airplanes, trains, and spacecraft. We employ more than 125 highly skilled engineers and technicians who take pride in making parts Boeing uses to build its airplanes. Whenever we see the airplanes landing at McCarran bringing the tourists to our state that drive our local economy, we know our company played a small role in building that plane. **We know that killing Ex-Im would mean fewer exports. Fewer exports mean less business for American suppliers and sub-contractors. It would hurt businesses and cost jobs up and down the entire supply chain.**” [Op-ed in Elko Daily Free Press by Craig Wiseman (President and CIO of Spacecraft Components Corp.), [8/6/15](#)]

“Because Click Bond is a direct supplier to Boeing, the airplane sale creates demand for our parts, creating jobs in Nevada. Not only does it create jobs, it also allows Click Bond to invest profits to improve its plants and products and train its workforce so that we, and Boeing, can remain strong in an increasingly competitive global marketplace... Foreign countries each have their own versions of Ex-Im Bank called Export Credit Agencies (ECAs). Most of them are much larger than Ex-Im relative to gross domestic product. **If the U.S. eliminates its ECA and the competitors don’t, it is equal to unilaterally disarming on the battlefield. That is not a winning strategy.** Competitive parity is not the only benefit of Ex-Im. U.S. companies need Ex-Im as an enabler to help funding flow to customers in lesser developed markets, even when default risk is low... Especially at this pivotal time for U.S. manufacturing’s resurgence, it makes no sense to eliminate a valuable tool that allows us to compete on a level playing field.” [Op-ed in The Hill by Karl Hutter (president and CEO of Click Bond), [8/5/15](#)]

“Innova Technologies has used the bank since 2005 after a project in Saudi Arabia went sour and Banchik and his staff were not paid in full. Now, in exchange for a premium, the bank would pay the company almost the full cost of a project were a client to delay payment. The bank then would pursue the client to collect the amount owed. **Without the bank, Innova Technologies is at risk of delayed payments and might have to leave the export business altogether...** ‘In these large projects, you’re a small company dealing with very large entities,’ [Carlos] Banchik, [President of Inova Technologies], said. ‘For small companies, the Ex-Im Bank is our livelihood.’” [Las Vegas Sun, [7/27/15](#)]

### New Hampshire

“...**Ex-Im has supported more than 2,300 jobs in our state since 2007...** The aerospace and defense industries provide a perfect example of how much the Export-Import Bank actually does for our economy. A few months ago, the Union Leader featured a story on **the first-ever New Hampshire Aerospace and Defense Export Consortium conference (NHADEC), which brought together some of the 350 Granite State companies involved in aerospace and defense.** The NHADEC conference focused on building the supply chain for New Hampshire’s export markets and increasing the Granite State’s competitiveness in the global marketplace. **Last year, aerospace and defense industry exports increased by 25 percent and now make up 4 percent of New Hampshire’s gross domestic product. But without the Export-Import Bank, businesses like mine might not have the necessary tools to compete globally...** Additionally, **the 36 New Hampshire companies that have benefited from Ex-Im exported more than \$400 million in goods and services.**” [Op-ed in New Hampshire Union Leader by Wendy Tirollo (owner and CEO of TRM Microwave), [7/30/15](#)]

### New Mexico

“...In the economic arena, too many of our leaders seem willing to entertain this ideology of defeat. International trade is a critical economic engine for American jobs, prosperity, and strength. For this reason, most nations heavily subsidize their own industries to make their products cheaper and more appealing in the international marketplace. That harms American jobs and stifles American prosperity and puts our businesses at an unfair disadvantage... **Yet [economic unilateral disarmament] is precisely what some assert we should do when they argue we should abolish the U.S. Export-Import Bank.** The Export-Import Bank does not subsidize U.S. firms. Instead, it provides financing and insurance — services that are paid for at market rates — to U.S. manufacturers and their customers, large and small, to export goods to foreign buyers.” [The Deming Headlight Op-Ed by George Landrith (president of Frontiers of Freedom), [8/16/15](#)]

### North Carolina

“**On Sept. 1, 10 small businesses in and around North Carolina will lose a critical tool that enables them to export \$4.65 million worth of U.S. goods and services around the world: insurance from the U.S. Export-Import Bank...** Since Congress failed to reauthorize Ex-Im before its charter expired, these small businesses can no longer accept new export orders. **They must turn away potential deals in the short term — meaning they lose out on establishing relationships with new customers for the long term...** Without Ex-Im, companies simply cannot access new markets. Slower export growth means fewer sales and fewer North Carolina jobs. **Ex-Im supports more than 200 businesses and nearly \$2.9 billion in export sales in North Carolina alone, and even returns money to the Treasury.**” [Greensboro.com, [8/28/15](#)]

## Ohio

“Graham Hill is owner and president of Mason’s Anglo American Hardwoods, a lumber exporter. An American citizen and a native of the United Kingdom, Hill started his company to trade temperate North American hardwoods. He buys wood from U.S. sawmills and exports it overseas, much of it to the U.K., the Middle East and to Asia. His sawmill suppliers typically want to be paid in 10 days, but **Hill is sometimes forced to extend 60- to 90-day credit terms to customers overseas. He sometimes needs the Ex-Im bank to support those transactions. “I pay for that,” Hill said. “It’s not a freebie. It really hacks me off when I hear ‘corporate welfare.’”** [Springfield News-Sun, [8/13/15](#)]

“**Smaller companies are also concerned.** Rick Little, president of Starwin Industries, and chairman of the Dayton Regional Manufacturers Association Board, says his relatively small Kettering company does not directly export. **He has about 35 employees, and his customers include automotive producers, government and research facilities and others. But he is concerned about the companies his business serves who are direct exporters.** GE Aviation, for example, spends \$1.2 billion a year with suppliers in Ohio. **‘It got my attention when Boeing and GE both, in the course of like two weeks, said this was going to affect jobs directly,’** Little said. **‘That got my attention.’”** [Springfield News-Sun, [8/13/15](#)]

“The stakes are high for Ohio employers. GE, Boeing, Caterpillar Inc. and parts of General Dynamics Corp. and United Technologies Corp. had foreign customers that received about \$10 billion in loans or guarantees from the bank in 2014, Bloomberg News reported. All of those companies have a presence in Southwest Ohio. **GE Aviation has 9,000 employees in Southwest Ohio, including about 1,200 in the Dayton area. It has another 7,400 workers in Greater Cincinnati, and several hundred in Peebles, in Adams County. In 2013, GE Aviation opened the \$53 million Electrical Power Integrated Systems Center in a new building on the University of Dayton campus off River Park Drive.”** [Springfield News-Sun, [8/13/15](#)]

## Pennsylvania

“Opponents of reauthorization claim that the bank is an outpost of crony capitalism that only helps big business, but they are wrong. **Thousands of small businesses rely on the Export-Import Bank to compete effectively in the global arena, and many more indirectly benefit when exporters large and small succeed. Take my company, Multiscope Document Solutions, as an example. While we do not rely on the Export-Import Bank directly, many of our customers do. When they succeed, our company is able to hire employees and provide long-term career opportunities in the IT and managed print services fields.** Indeed, many of these employees are hired to provide services exclusively to these customers, meaning that our customers’ success in the realm of global trade has a direct impact on job creation at our own company.” [Op-ed in Observer-Reporter by Mike McCay (CEO of Multiscope), [8/8/15](#)]

“**When Congress failed to reauthorize the bank's charter by June 30, the bank had to stop doing new business -- and that's bad news for Erie...** In Erie, the bank helps GE Transportation to finance international sales of locomotives. That financing also helps the local manufacturers that supply GE, as well as small businesses that export... Jim Rutkowski Jr., general manager of Industrial Sales & Manufacturing, is concerned about the status of the Ex-Im Bank because 13 to 15 percent of his company's business involves building engine components for GE Transportation.” [GoErie.com, [8/27/15](#)]



## South Carolina

**“It helps the middle class by enabling the creation and retention of well-paying jobs in manufacturing and services... House Republicans would be foolish to follow a similar road to irrelevance to sacrificing the Ex-Im Bank to misguided zeal from the hard right.”** [Post and Courier Editorial Board, [8/7/15](#)]

## Texas

**“General Electric Co. dropped the Dallas area as a site for a possible headquarters move because of concern that Texas’s political climate is unfavorable to the company’s business, people familiar with the matter said. GE told Dallas business leaders in recent days it would look elsewhere for alternatives to its Connecticut home, said the people, who asked not to be identified because details aren’t public. They said GE cited some Texas lawmakers’ opposition to the U.S. Export-Import Bank, an important source of financing for some overseas sales.”** [Bloomberg, [8/28/15](#)]

**“Congress must reauthorize the Export-Import Bank, an agency that has served Texas exports well, when it returns from summer recess... Between 2007 and 2014, the bank helped 1,629 Texas exporters sell about \$26 billion in goods; more than half of these were small businesses.”** [Express News Editorial Board, [8/10/15](#)]

## Tennessee

**“Mill Masters Inc. is a niche company in Jackson that builds large pieces of equipment, priced in the millions of dollars, which they sell to countries across the globe to make inner tubing for radiators for various machines. In 2013 the company began using a little-known federal program called the Export-Import Bank, which allowed the company to borrow money from the federal government for equipment orders from overseas. Thousands of businesses across the country, small and large, use the Export-Import bank as a backstop so they can competitively sell their products to foreign companies... ‘Without that agreement we might not [have been] able to get funding to build product, which means we may have gone out of business,’ [Tony] Luna [Mill Masters VP of Finance] said. ‘So it’s a big deal to us.’”** [The Jackson Sun, [8/9/15](#)]

## Washington

**“In the ideological fight over the Export-Import Bank, Boeing is already losing out on deals. Next could be jobs in Washington state. Congress left for its August recess without reauthorizing the bank, but should take up the issue as soon as it reconvenes in September. Leadership must stop letting a handful of conservatives... hijack reauthorization of the Ex-Im Bank, which has proved an effective financing and economic development tool.”** [The Seattle Times Editorial, [8/17/15](#)]

**“Boeing Co (BA.N) is scrambling to find alternate financing for a satellite contract worth ‘several hundred million dollars’ that was scuttled by privately held commercial satellite provider ABS due to uncertainty about the future of the U.S. Export-Import Bank, three sources familiar with the matter said on Tuesday. ABS, based in Bermuda and Hong Kong, terminated its order for the satellite in mid-July, citing the expiration of the trade bank’s charter on June 30, according to the sources, who asked not to be named given the sensitivity of the issue... ABS told Boeing, the largest U.S. exporter, that it would have to consider non-U.S.-based producers to build ABS-8, given the absence of U.S. export credit financing, the sources said.”** [Reuters, [8/4/15](#)]